## GENERAL

1. Dutch feel Pleven plan for European defense is unacceptable—
The new Dutch Defense Minister, s'Jacob, has told US'Ambas—
sador Chapin in The Hague that he and Foreign Minister Stikker consider French Foreign Minister Pleven's proposal for the organization of Western European defense forces to be unacceptable to the Netherlands Government. S'Jacob commented that the Pleven plan could not help but create further delays in achieving an integrated Western defense; he feels that no compromise is possible on the plan and that its introduction just before the meeting of the military committees of the North Atlantic Treaty Organization is unfortunate.

## EUROPE

- 2. AUSTRIA: Government hesitating in police matter—US High Commissioner Donnelly in Vienna reports that the Austrian Government now appears to be hesitating in carrying out its plan to arrest the Communist police chiefs in Vienna who were dismissed. The Austrian Government's hesitation is caused by renewed Soviet demands that all proceedings against the police chiefs be quashed and that they be restored to full status. Donnelly believes, however, that the Austrian Government will refuse to yield to the Soviet demands; he adds that the Austrian Government has again informally requested renewed assurances of firm Western support in the Allied Council.
- 3. DENMARK: Political situation—US Ambassador Anderson reports from Copenhagen that the minority Social Democratic Government resigned after its defeat on the question of continuing fat rationing and that the Prime Minister suggested

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the formation of a Moderate Liberal, Conservative, and Justice Party coalition Cabinet. In explanation of the government's resignation, Prime Minister Hedtoft remarked that the three major opposition parties had not lived up to their promise to cooperate on economic and foreign exchange problems.

(CIA Comment: Regardless of the composition of the new government, Denmark will adhere to the NATO, continue its rearmament program, and, in general, follow its present foreign policy.)

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## FAR EAST

4. INDOCHINA: Survey mission assesses French position—
US Legation Saigon transmits the conclusion of the French politico-military mission examining the Indochina situation that France, without aid, cannot meet its obligations both in Western Europe under the North Atlantic Pact and in Indochina. (The mission includes Minister of the Associated States Letourneau, General Juin, High Commissioner for Indochina Pignon, and General Carpentier, commander of French Forces in the Far East.) The group characterized the fighting in Tonkin as "no longer a question of guerrilla war," and stressed the urgent need of the French forces in Indochina for US military assistance, particularly aircraft and artillery. The group also feels that US financial aid will be needed in establishing a Vietnamese national army. The group stated that positively no reinforcements could be expected from France at this time.

Minister Letourneau, in commenting on the political aspects of the Indochinese problem, remarked that the world could be sure when the war was over that Viet "independence would be total." Letourneau added that the French had no intention of holding back Vietnamese independence, but were concerned

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lest the morale of French troops now fighting for a French cause in Indochina be "shattered." He commented that if the Vietnamese "or others" continued to misunderstand French motives in Indochina, he intended to recommend to his government that French troops be withdrawn.

Regarding Chinese Communist assistance to the rebel Viet Minh, Generals Carpentier and Juin expressed their belief that, as a result of Chinese training and equipment, the Viet Minh, between now and March 1951, could assemble 100 battalions, "most of which would be equal to the French in value." The group indicated that thought had been given to an appeal to the UN, but that inasmuch as the actual participation of Chinese Communists in the Tonkin operation had not been confirmed, a formula for presenting the case to the UN had not been found.

Bao Dai plans to tour Tonkin--US Legation Saigon has learned that Bao Dai will leave the summer capital at Dalat for the traditional imperial capital of Vietnam at Hue within a few days. Bao Dai plans to make a tour of the strife-torn Tonkin region shortly after his arrival.